

14. DEFERRED CHARGES, NET

	Year Ended December 31, 2012					
	Balance, Beginning of Year	Additions	Amortization	Reclassification	Effect of Exchange Rate Changes	Balance, End of Year
Technology license fees	\$ 1,682,892	\$ 31,022	\$ (442,467)	\$ 191,580	\$ (1,134)	\$ 1,461,893
Software and system design costs	2,366,483	1,795,360	(1,143,493)	(48,912)	(496)	2,968,942
Patent and others	1,118,189	427,340	(594,815)	57,438	(3,125)	1,005,027
	<u>\$ 5,167,564</u>	<u>\$ 2,253,722</u>	<u>\$ (2,180,775)</u>	<u>\$ 200,106</u>	<u>\$ (4,755)</u>	<u>\$ 5,435,862</u>

	Year Ended December 31, 2011							
	Balance, Beginning of Year	Additions	Amortization	Disposals	Reclassification	Effect of Changes in Consolidated Entities	Effect of Exchange Rate Changes	Balance, End of Year
Technology license fees	\$ 2,455,348	\$ 10,308	\$ (716,067)	\$ -	\$ -	\$ (66,186)	\$ (511)	\$ 1,682,892
Software and system design costs	2,333,271	1,360,846	(1,152,331)	(46)	2,091	(177,916)	568	2,366,483
Patent and others	1,238,466	344,738	(469,172)	-	-	-	4,157	1,118,189
	<u>\$ 6,027,085</u>	<u>\$ 1,715,892</u>	<u>\$ (2,337,570)</u>	<u>\$ (46)</u>	<u>\$ 2,091</u>	<u>\$ (244,102)</u>	<u>\$ 4,214</u>	<u>\$ 5,167,564</u>

15. SHORT-TERM LOANS

	December 31	
	2012	2011
Unsecured loans: US\$1,195,500 thousand, due in January 2013, and annual interest at 0.39%-0.58% in 2012; US\$856,000 thousand, due by February 2012, and annual interest at 0.45%-1.00% in 2011.	<u>\$ 34,714,929</u>	<u>\$ 25,926,528</u>

16. BONDS PAYABLE

	December 31	
	2012	2011
Domestic unsecured bonds:		
Issued in September 2011 and repayable in September 2016, 1.40% interest payable annually	\$ 10,500,000	\$ 10,500,000
Issued in September 2011 and repayable in September 2018, 1.63% interest payable annually	7,500,000	7,500,000
Issued in January 2012 and repayable in January 2017, 1.29% interest payable annually	10,000,000	-
Issued in January 2012 and repayable in January 2019, 1.46% interest payable annually	7,000,000	-
Issued in August 2012 and repayable in August 2017, 1.28% interest payable annually	9,900,000	-
Issued in August 2012 and repayable in August 2019, 1.40% interest payable annually	9,000,000	-

(Continued)

	December 31	
	2012	2011
Issued in September 2012 and repayable in September 2017, 1.28% interest payable annually	\$ 12,700,000	\$ -
Issued in September 2012 and repayable in September 2019, 1.39% interest payable annually	9,000,000	-
Issued in October 2012 and repayable in October 2022, 1.53% interest payable annually	4,400,000	-
Issued in January 2002 and repayable in January 2012, 3.00% interest payable annually	-	4,500,000
Current portion	80,000,000	22,500,000
	<u>\$ 80,000,000</u>	<u>\$ 18,000,000</u>

With the approval from the Financial Supervisory Commission (FSC), the Company issued domestic unsecured bonds in the amount of NT\$23,600,000 thousand in January 2013 and is expected to issue domestic unsecured bonds in the amount of NT\$21,400,000 thousand in February 2013.

The provision of a loan guarantee to TSMC Global, a subsidiary of TSMC, for its issuance of unsecured corporate bonds for an amount not to exceed US\$1,500,000 thousand had been approved in the meeting of the Board of Directors of TSMC held on February 5, 2013.